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TIME INC. PLANS HELP FOR CURTIS

To Absorb Some Circulation
and Advance \$5-Million

By ROBERT E. BEDINGFIELD

Time Inc. has agreed to advance up to \$5-million in working capital to one of its chief competitors, the money-losing Curtis Publishing Company, it was announced yesterday.

In a further move to help Curtis reduce its burdensome publishing costs, Time has agreed to take over a substantial part of the circulation of The Saturday Evening Post, the biweekly flagship magazine that Curtis has published since acquiring it in 1897.

Curtis wants to reduce the circulation of the magazine from the present 6.9 million to about 3 million and to upgrade its quality for a more sophisticated readership.

"We want to make it into the kind of magazine that will attract the person who doesn't want to see a rerun of Hazel or the Beverly Hillbillies on television," said Martin S. Ackerman, new president of Curtis, in an interview on Thursday.

The Post subscribers taken over by Time Inc. will be allowed to receive that company's profitable picture magazine, Life, in place of The Post for the rest of their subscription. Post subscribers not ac-

cepting Life as a substitute will be offered other magazines or a cash refund.

Jerome Hardy, publisher of Life, said that Time Inc. had no plans for taking over Curtis and was not purchasing Curtis's subscription lists. He also said that by the end of this year Life expected to be giving its advertisers a circulation bonus of 500,000 on top of the current 7.6-million circulation.

"We expect that Life will be clearly established as the No. 1 [large page] magazine in the United States in every respect," he said, as a result of the agreement reached by Time Inc. with Curtis.

Under the loan agreement, Time will advance Curtis \$2.5-million in July and another \$2.5-million in September. The total advance will have the same claim on all Curtis's assets as a \$5-million advance that Curtis obtained last month from the Perfect Film and Chemical Corporation, which Mr. Ackerman also heads as chief executive.

In a separate transaction, Mr. Ackerman announced yesterday that Curtis's board had agreed to sell its circulation and subscription activities to Perfect Film. Final terms of the sale have yet to be worked out.

They will be based upon recommendations of Standard Research Consultants, Inc., a subsidiary of Standard & Poor's Corporation, Mr. Ackerman said. He also noted that the sale would be subject to final approval by directors of Perfect Film and the authorization by that company's stockholders of a new preferred stock issue. The stockholders of Perfect Film will vote on the proposal at their annual meeting on May 28.

Terms for Advance

Time Inc. will treat its advance to Curtis as a prepayment for \$3-million of printing over a 21-month period and for services it will ask to be provided by Keystone Readers' Service, Inc., a Curtis subsidiary that operates a national field-selling magazine subscription agency.

In addition to streamlining The Saturday Evening Post, so that its advertisers will know they are really reaching an affluent readership, Mr. Ackerman disclosed that his new management was considering reducing the physical size of the pages of several of its other magazines. Besides The Post, Curtis publishes the Ladies Home Journal, American Home, Holiday and Jack and Jill.

Mr. Ackerman said that, by reducing the page size of such publications as The Ladies Home Journal and American Home from 680 lines to the 429 lines of magazines like Good Housekeeping (published by the Hearst Corporation), he believed he could cut the cost of production of such magazine by 25 per cent to 33½ per cent.

Mr. Ackerman, 36 years old, had been a magazine publisher only since April 22, when he was elected president of Curtis. He acknowledged that he had relied heavily for advice in the last three weeks on Richard E. Berlin, President of the Hearst Corporation.

The Curtis president said his management also was considering several bids from various paper concerns that have been made for the company's Johnstown, Pa., paper mill. He indicated also that the big Sharon Hill, Pa., printing plant might also be put up for sale. "That plant has a payroll of \$25-million a year," he said.

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